



# CITY OF FULLERTON

Community and Economic Development Department

Item No. 1  
September 25, 2024  
6:30 p.m.  
Public Hearing

**TO: Chair Gambino and  
Members of the Planning Commission**

## APPLICATION

LRP-2024-0009

## APPLICANT

City of Fullerton

## LOCATION

Citywide

## SUMMARY AND APPLICATIONS REQUESTED

Staff recommends that the Planning Commission approve the following actions related to adoption of the Housing Element for the 6<sup>th</sup> Cycle (2021-2029):

- Recommendation to City Council to certify Environmental Impact Report (SCH# 2023090133) as per Alternative 2 (Reduced Sites Alternative) for the Fullerton Housing Incentive Overlay Zone Program (Attachment 1).
- Recommendation to City Council to approve a General Plan Revision to adopt the Housing Element for the 6th Cycle (Appendix H of the Fullerton Plan) as well as related revisions to the Fullerton Plan within Chapter 2 (Attachment 2).
- Recommendation to City Council to approve a Zoning Ordinance Amendment to Title 15 of the Fullerton Municipal Code to establish standards for the Housing Incentive Overlay Zone Program as well as identify those related parcels on the official Fullerton Zoning Map (Attachment 3).

## CEQA DETERMINATION

The Housing Element Update (HEU) for the 6th Cycle was reviewed for compliance with the California Environmental Quality Act (CEQA). The HEU consists of two components: the Draft Housing Element document and the Housing Incentive Overlay Zone Program.

### Housing Element

CEQA Guidelines Section 15282(s) references the Statutory Exemption set forth in Government Code Section 65759 which deems a project exempt from CEQA review if it is an action necessary

to bring a General Plan or relevant mandatory element of the General Plan into compliance pursuant to a court order as set forth in Section 65759 of the Government Code. This exemption is applicable to adoption of the Housing Element as it is a state-mandated update which the City was required to accomplish pursuant to stipulated final judgment and order under a lawsuit brought by Californians for Homeownership, Inc. Additionally, the adoption of the Housing Element is exempt under Section 15061(b)(3) as it can be seen with certainty that there is no possibility that the adoption of this element may have a significant effect on the environment since no physical development is proposed at this time (Attachment 4).

#### Housing Incentive Overlay Zone (HIOZ) Program

Pursuant to Public Resources Code Section 21165 and CEQA Guidelines Section 15050, the City of Fullerton serves as the lead agency and prepared a program Environmental Impact Report (EIR) that addresses potential environmental impacts associated with the Fullerton Housing Incentive Overlay Zone Program (referred to herein as “Program” or “HIOZ”).

The following actions related to the EIR have occurred to date:

- 8/31/2023 – Notice of Preparation (NOP) posted and advertised
- 8/31/2023 – Notice of Completion (NOC) and NOP posted with State Clearing House
- 9/28/2023 – HIOZ CEQA Scoping Meeting
- 5/31/2024 – Notice of Availability (NOA) posted and advertised
- 5/31/2024 through 7/15/2024 – Public review and comment period for Draft EIR
- 9/12/2024 – Responses to comments sent to agencies and individuals.

The EIR is further described within the body of this report.

### **AUTHORIZATION**

Fullerton Municipal Code Sections 15.72.040 and 15.72.050 authorize the Planning Commission to hold a public hearing to consider amendments to the Fullerton Plan and Fullerton Municipal Code and make a recommendation to City Council based on findings that the proposed amendments are consistent with state requirements.

California Government Code Section 65588 requires that the Housing Element be updated every eight years. The proposed project seeks to amend the current Fullerton Plan (i.e., General Plan) and Fullerton Municipal Code to provide for an update to the Housing Element for the 2021-2029 planning period and to implement the HIOZ as required by the updated Housing Element.

### **PUBLIC OUTREACH**

Notice was published in the Fullerton News Tribune on September 12, 2024. The notice was also posted on the City’s website and at the Maintenance Services Department, Main Library, Museum Center, and City Hall on the Public Notice Boards.

Notices were also mailed to affected property owners and those property owners within a 300-foot radius around each of the proposed HIOZ properties. Lastly, notices were emailed to approximately 400 registered individuals on the department-maintained notification list.

### **BACKGROUND**

The Housing Element provides for the analysis of a community's housing needs and provides strategies and programs to respond to those needs. The City's current adopted and state compliant Housing Element was for the 5<sup>th</sup> Cycle (2014-2021) planning period. The proposed project seeks to amend the current General Plan to provide for an update to the Housing Element for the 6<sup>th</sup> Cycle (2021-2029) planning period. The proposed updates would bring the Housing Element into conformance with state of California requirements. State law also requires that prior to the adoption of any proposed amendments to the General Plan, the Planning Commission needs to review the amendments and make its recommendation to City Council.

The process for updating the Housing Element was initiated in 2020 and the first Draft was completed and submitted to the Department of Housing and Community Development (HCD) for a courtesy review at the end of 2021 (Attachment 5). During the beginning of 2022, the consultant preparing the Draft Housing Element and City staff assigned to the project resigned. The project was restarted after a period of nine months when a new consultant was hired, and new City personnel came onboard. Since that time, several actions have occurred to include two additional courtesy reviews of the document by HCD.

## ANALYSIS

### Housing Element

The Housing Element is one of the required components of the General Plan, as specified in California Government Code Section 65302. While the General Plan, specifically named here the "Fullerton Plan," contains the community vision for future growth of the City, the Housing Element focuses on the attainment and preservation of housing for all City residents of different economic levels and different needs. As specified in Government Code Section 65588, the Housing Element must be reviewed and revised on a regular basis, which coincides with the Regional Housing Needs Assessment (RHNA) eight-year cycles; as previously described, we are currently in the 6<sup>th</sup> Cycle.

State law doesn't require that each jurisdiction's Housing Element be formatted a certain way; however, it does specify that it address the following requirements:

- Review of previous element
- Housing needs assessment
- Inventory and analysis of adequate sites
- Analysis of potential governmental and non-governmental constraints
- Housing policies and programs
- Quantified objectives.

The City's Draft Housing Element covers all of the aforementioned requirements and is organized into the following four chapters:

1. Introduction
2. Housing Needs Analysis
3. Resources and Constraints Analysis
4. Housing Policy Plan.

As a supporting portion of the Housing Element, there are six listed Appendices following Chapter 4 that provide historical context, analysis, and a glossary of terms:

- Appendix H-A Review of Past Performance
- Appendix H-B Residential Land Resources
- Appendix H-C Analysis of Housing at Risk of Conversion

Appendix H-D Public Participation  
Appendix H-E Affirmatively Furthering Fair Housing (AFFH)  
Appendix H-F Glossary of Housing Terms.

The four numbered chapters of the Housing Element contain information that is required by the state of California and is verified through required staff checks by HCD. Input to these chapters came from various sources including stakeholders (the “Housing Advocates”) and citizen groups, community meetings, surveys, review of past policies and strategies, and supported through various means such as census data and City permit records. Below is a summary of each chapter.

### Chapter 1: Introduction

The Housing Element of the General Plan identifies and analyzes existing and projected housing needs and contains the official policies for the preservation, conservation, rehabilitation, and production of housing in the City of Fullerton (City). This Housing Element covers the Planning Period from October 2021 through October 2029.

It also includes the following sections:

- Housing Needs Assessment
- List of Goals and Policies
- The requirement that the Housing Element be consistent with the Fullerton Plan
- The organization of the Housing Element
- Citizen participation
- Themes in community input.

### Chapter 2: Housing Needs Analysis

This section analyzes demographic and housing characteristics that influence the demand for and availability of housing. This analysis forms the foundation for programs and policies that address identified housing needs. Housing needs are identified by income, tenure, and special needs groups. The City’s future housing needs based on the 2021-2029 Regional Housing Needs Assessment (RHNA) are also examined.

This chapter further breaks down the community profile as follows:

- Population growth trends
- Age characteristics
- Employment
- Household characteristics
- Housing inventory and market conditions
  - Housing type and vacancy
  - Tenure
  - Age of housing stock
  - Housing conditions
  - Housing costs and affordability
- Housing Needs
- Overcrowding
- Special Needs Groups
  - Elderly persons
  - Large households
  - Female-headed households
  - Persons with disabilities

- Extremely low-income residents
- Homeless population and transitional housing
- Farm workers
- College and university students.

### Chapter 3: Resources and Constraints Analysis

Section 65583(a)(3) of the California Government Code requires Housing Elements to contain an “inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.” A detailed inventory of residential development sites is provided in Appendix H-B of the Draft Housing Element.

The analysis determined that the City’s current land inventory for potential residential development is not sufficient based on current zoning to accommodate the RHNA in all income categories for this projection period; therefore, candidate sites for rezoning were identified. Policy Action 3.1 includes a commitment to process zoning amendments for sufficient parcels to fully accommodate the RHNA pursuant to state law (described later in the report – see Chapter 4).

This chapter goes into greater detail of the following topics:

- Financial and Administrative Resources
  - Community Development Block Grant (CDBG) and HOME Program
  - City of Fullerton Successor Agency
- Residential Energy and Water Conservation
- Government Constraints
  - General Plan
  - Zoning Code
  - Development standards
  - Permitted uses
  - Parking standards
- Provisions for a Variety of Housing Types
  - Single-family, multiple-family, manufactured, and mobile home housing
  - Housing Incentive Overlay Zone (HIOZ)
  - Density bonus
  - Accessory Dwelling Units (ADUs)
  - Senior housing and residential care facilities
  - Emergency Shelters and Low Barrier Navigation Centers
  - Emergency Shelter Overlay Zone
  - Transitional and supportive housing
  - Single Room Occupancy (SRO) Units
  - Employee housing and farmworker housing
  - Housing for persons with disabilities
- Environmental Constraints
- Infrastructure Constraints
- Financial Constraints.

### Chapter 4: Housing Policy Plan

This section describes the City of Fullerton’s Housing Policy Plan for the 2021-2029 planning period. The Policy Plan describes the specific policies and program actions necessary to address present and future housing needs, meet the specific requirements of state law, and consider the input by residents and stakeholders. In developing this Policy Plan, the City assessed its housing

needs, evaluated the performance of existing programs, and received input from the community through participation in housing workshops.

The Policy Action Plan for the 6th Cycle is organized into four core policy action areas:

- Housing Production
- Conservation and Rehabilitation
- Design and Livability
- Access to Housing Opportunities.

There are eighteen proposed Policy Actions created to encourage new housing development and preservation of existing housing. These eighteen Policy Actions are further broken down into programs or sub-tasks that must be done within specified timeframes. The 18 Policy Actions are as follows:

Policy Action	Title
3.1	Provision of Adequate Sites for Housing Development
3.2	Review and Update the Development Review Process
3.3	Facilitate Infill Development
3.4	Support the Development of a Variety of Housing Types
3.5	Comprehensive Community Outreach Strategy for Housing
3.6	Accessory Dwelling Units
3.7	Support Production of Regulated Affordable Housing for All Income Levels
3.8	Preservation of Historic Residential Resources
3.9	Housing Rehabilitation
3.10	Affordable Housing Acquisition and Rehabilitation
3.11	Support Climate Change Resiliency in Buildings and Neighborhoods
3.12	Continued Monitoring and Preservation of Housing Units at Risk of Converting to Market Rate
3.13	Fair Housing Services
3.14	Affirmatively Furthering Fair Housing
3.15	Homelessness Prevention and Housing
3.16	Tenant Protections and Support
3.17	Housing for Persons with Special Needs
3.18	Support Homeownership Opportunities

#### Appendix H-A Review of Past Performance

Section 65588(a) of the Government Code requires that jurisdictions evaluate the effectiveness of the existing Housing Element, the appropriateness of goals, objectives and policies, and the progress in implementing programs for the previous planning period. This appendix summarizes the results of the City’s review of the housing goals, policies, and programs of the previous Housing Element, and evaluates the degree to which these programs have been implemented during the previous planning period.

During the previous RHNA Cycle (5<sup>th</sup> Cycle, 2013-2021), the various programs and objectives of the related Fullerton Housing Element were evaluated for success. These previous programs were organized into four main areas which were then broken down into 30 objectives (i.e., sub-areas). These included:

- Program 1 – New production of rental and for sale housing opportunities in Fullerton
- Program 2 – Conservation and rehabilitation of existing housing resources in Fullerton
- Program 3 – Efficient use of energy resources in residential development

Program 4 – Continued monitoring and preservation of housing units at risk of converting to market rate.

Of all the programs that were evaluated for success, the one that succinctly depicted the City’s success in encouraging housing were the RHNA numbers. At the end of the 5<sup>th</sup> Cycle, the following numbers of units for new construction in Fullerton were met:

RHNA 5 <sup>th</sup> Cycle	State Mandate	Permitted Units
2013-2021	1,841	1,653

As you can see, the City of Fullerton fell short of meeting the 5<sup>th</sup> Cycle RHNA by 188 units over the various affordability categories. It should be known that there were no penalties assessed against Fullerton for not meeting this goal.

Appendix H-B Residential Land Resources

California Housing Element Law requires that cities demonstrate they have adequate sites to meet their share of regional housing needs as determined through the RHNA process. This appendix includes an evaluation of potential sites in the City that are suitable for future housing development based upon factors including zoning, development standards, and the availability of public services and facilities to accommodate a variety of housing types and incomes.

Section B.1 discusses the current Regional Housing Needs Assessment, which is managed by the Department of Housing and Community Development. The current RHNA numbers are shown below.

RHNA 6th Cycle	State Mandate	Permitted Units (as of 1/1/2024)
2021-2029	13,209	592

Section B.2 discusses the methodology for meeting the above-shown RHNA number of 13,209 units. The City, through the use of the Housing Element, plans for the development of units through various means. This includes the following:

- Approved projects (entitled – see table below)
- Pending projects (in review/not entitled yet)
- Accessory Dwelling Units (ADUs)
- Surplus land (to be developed with units)
- Housing Incentive Overlay Zone (HIOZ) units to be constructed.

Projects that have been entitled but have not started construction yet are shown below.

Project Name	Location	Number of Units
Casa Bella	Highland/Valencia	20
Streetlights	Orangethorpe/Lemon	329
The Pines	Euclid/Rosecrans	113
Pathways of Hope	Amerige Avenue	20
Tracks at Fullerton Station	Santa Fe/Pomona	141
-	State College Boulevard	25
Pointe Common	Commonwealth Avenue	65
Coyote Hills West	Coyote Hills	760
TOTAL		1,473

There are another four projects being reviewed by staff that could potentially result in 657 units; however, these have not gone to Planning Commission or City Council for entitlement.

Units obtained through other methods are considered a small percentage of those required for the 6th Cycle. For instance, ADUs are expected to only provide about 60 units per year, based on historical data. Units generated from surplus land sites, under control by the City, are only expected to generate about 150 units. Therefore, the vast majority of units are proposed to be generated through the implementation of the Housing Incentive Overlay Zone Program. Draft HIOZ development standards have been created within the Fullerton Municipal Code and are described further in this report.

#### Appendix H-C Analysis of Housing at Risk of Conversion

California Housing Element Law requires jurisdictions to analyze government assisted housing that is eligible for conversion from lower income to market rate housing over the next ten years. State law identifies housing assistance as a rental subsidy, mortgage subsidy, or mortgage insurance to an assisted housing development. Government assisted housing converts to market rate housing for a number of reasons including expiring subsidies, mortgage repayments, or expiration of affordability restrictions.

#### Appendix H-D Public Participation

The Housing Element was developed through the combined efforts of City staff, consultants, community stakeholders, the Planning Commission, and City Council. The information related to this is provided in this section.

#### Appendix H-E Affirmatively Furthering Fair Housing (AFFH)

In 2018, the California State Legislature passed Assembly Bill (AB) 686 to expand upon the fair housing requirements and protections outlined in the federal Fair Employment and Housing Act. The law requires all State and local public agencies to facilitate deliberate action to explicitly address, combat, and relieve disparities resulting from past patterns of segregation to foster more inclusive communities. AB 686 created new requirements that apply to all housing elements due for revision on or after January 1, 2021. The passage of AB 686 ensures that California Cities affirmatively further fair housing.

AB 686 defined “affirmatively further fair housing (AFFH)” to mean “taking meaningful actions, in addition to combat discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity.” AB 686 added to the Housing Element requirements an assessment of fair housing which includes the following components:

- A summary of fair housing issues and assessment of the City’s fair housing enforcement and outreach capacity
- An analysis of segregation patterns and disparities in access to opportunities
- An assessment of contributing factors
- An identification of fair housing goals and actions.

The analysis identified patterns of racial and economic segregation between the neighborhoods in northern Fullerton and southern Fullerton, as well as concerns over displacement, fair housing enforcement, and access to public transportation and resources. This chapter identified actions to address these issues such as promoting integration and development in areas with high resources and tools to combat displacement and discrimination.

#### Appendix H-F: Glossary of Housing Terms

The various related terms within the Housing Element document are defined for use by the reader.

## **Housing Incentive Overlay Zone (HIOZ)**

The Housing Incentive Overlay Zone was proposed to create opportunities for new housing development on non-residential zoned parcels. Currently, the amount of housing being developed for the 6th Cycle will not meet the City's RHNA obligation, which includes residential projects currently under construction or those that were entitled and haven't commenced construction yet. Other non-entitled housing production, such as ADUs and new single-family residences only amount to about 70 units per year, therefore a strategy to make up the shortfall was created resulting in the HIOZ.

The proposed HIOZ parcels are selected from commercial and industrial zoned properties and were picked through a rigorous screening process. The screening criteria for parcel selection included the viability and likelihood of the property being redeveloped with housing, being located within an opportunity area, not located within a hazard zone (wildfire, flood, etc.), and being within close proximity to amenities such as stores, schools, and parks.

Staff conducted outreach to property owners of parcels within the proposed HIOZ Program via an open house event that was conducted in May 2023. Comments received from those property owners in attendance were positive in nature. The following is a summary of topics discussed at the open house:

- The HIOZ is a new layer of zoning added to the existing "base" zoning.
- The HIOZ Program is voluntary in nature and there is no requirement for any property owner to construct housing.
- The HIOZ Program gives property owners new options for redevelopment of their property.
- If a property owner demolishes an existing HIOZ property, there is no requirement to construct housing upon redevelopment of the property.
- Addition of the HIOZ to a property does not in itself trigger a valuation reassessment by the Orange County Tax Assessor.
- There is a requirement that ten percent of any units constructed be affordable units.
- The property owner has the ability to choose to do a mixed-use project for a site in excess of one acre.

The initial screening of commercial and industrial parcels throughout Fullerton created a list of 1,253 parcels (July 2021). Revisions to the list occurred after input from City Council, the public, consultants, and staff and reduced the list of parcels to 779 parcels (June 2023) and then to 759 parcels (October 2023). Input from City Council in February 2024 reduced the list further to 751 parcels, which corresponds to Alternative 2 of the EIR (Attachment 6). At this time, the amount of parcels selected has been determined to cover the City's RHNA obligation with an approximate ten percent buffer.

Depiction of the HIOZ parcels will be included on the official zoning map for the City of Fullerton and will consist of -HI, following the base zone designation (i.e., C-G-HI). The selected HIOZ parcels are shown in attachments to the Planning Commission Resolution (Attachment 3, Exhibit C) as well as a large-scale map (Attachment 6).

In addition to modification of the zoning map, changes to the Fullerton Municipal Code are required to implement the HIOZ Program. New development standards for the HIOZ have been created which incorporate new standards for mixed use development.

The proposed zoning code revisions incorporate "objective development standards" meaning that they are specified by measurable terms (Attachment 3, Exhibit A). Objective standards, as

opposed to subjective standards, have stated metrics and don't leave the standards open to interpretation. Undefined terms such as "consistent with the neighborhood" or "in harmony with" are not used as they don't have definite meanings. Additionally, several recent legal rulings have determined that subjective standards are not enforceable whereby the state has directed cities and counties to remove this type of language from zoning codes.

The following sections are being modified or added to the Fullerton Municipal Code (FMC) to address the implementation of the HIOZ Program as follows:

- FMC Section 15.17.070 (*Site Development Standards for Multiple-Family Residential, Housing Incentive Overlay Zone (HIOZ), and Mobile Home Zone Classifications*)

Language added to this existing section provides development standards for the HIOZ and provides updates to parking standards based on state-mandated ratios. New objective standards are provided to clarify design and massing standards. Graphics are provided to clarify these standards and to reduce ambiguity.

- FMC Section 15.80 (*Mixed-Use Development Standards*)

This section is new and did not previously exist in the FMC. Currently, the process for entitling and developing mixed-use projects (i.e., those with both commercial and residential components) falls under two processes: (1) via a Conditional Use Permit and Major Site Plan Review, or (2) via the creation of a Specific Plan. Under normal circumstances, which includes creating various studies and conducting CEQA analysis, these processes can take between one and two years to complete. The purpose of this new section is to create set mixed-use standards thereby streamlining the process whereby lengthy entitlement processes can be bypassed.

- FMC Section 15.23 (*Housing Incentive Overlay Zone (HIOZ)*)

This section is new and did not previously exist in the FMC. Section 15.23 provides the intent and purpose of the HIOZ and provides the requirement for affordable units. It also sets the requirement that any proposal for mixed-use shall be on a site of an acre in size or larger.

In summary, the proposed HIOZ Program provides the City with a means to encourage development of residential units on properties that were previously not zoned for this type of development. Due to the completion of the CEQA process as part of the overall HIOZ Program (described below) and the establishment of objective development standards, impediments to development are minimized whereby time and money are saved by property owners or developers which provide incentives to construct the units required by the RHNA.

### **Environmental Impact Report (EIR)**

The City, as Lead Agency, commenced an environmental review to identify the potential environmental impacts associated with the implementation of the project in conformance with the provisions of the California Environmental Quality Act (CEQA) and CEQA Guidelines. An Initial Study/Draft EIR was begun in early 2023 to evaluate any impacts upon the adoption of the HIOZ Program. Also, as required by Assembly Bill 52 and Senate Bill 18, notices were sent to the local Native American tribes inquiring if they wanted to be consulted. No tribes requested consultation.

The Initial Study/Draft EIR analyzed the project with respect to the following environmental factors:

<b>CEQA Environmental Factors</b>		
Aesthetics	Geology and Soils	Population and Housing

Agriculture and Forestry Resources Air Quality Biological Resources Cultural Resources Energy	Greenhouse Gas Emissions Hazards and Hazardous Materials Hydrology and Water Quality Land Use and Planning Mineral Resources Noise	Public Services Recreation Transportation Tribal and Cultural Resources Utilities and Services Systems Wildfire
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Topics that were “scoped out” during this process included Aesthetics, Agricultural and Forestry Resources, Biological Resources, Energy, Geology and Soils, and Wildfire as they were determined to have no impacts on the project.

A publicly noticed Scoping Meeting was held in September 2023 to gather input from affected public agencies and the public. As part of that process, comments were received from six agencies or individuals and incorporated into the CEQA analysis for the Draft EIR.

Upon looking at the potential impacts for the HIOZ Program, the analysis found that all of the environmental factors were determined to be at a level of “Less than Significant Impacts” except for Air Quality, Noise, Population and Housing, and Tribal and Cultural Resources. These last four areas were determined to be at a level of “Significant and Unavoidable.”

The Draft Program EIR was completed and made available to the public for a 45-day review period starting in May 2024 and ending on July 15, 2024. As required by State and City regulations, the Notice of Availability (NOA) was published in the Fullerton News Tribune and posted to the City website. NOAs were also mailed via certified mail to individuals and public agencies, posted to the State Clearinghouse, and emailed to approximately 400 individuals on the notification list maintained by the Planning Department. Also, social media posts were prepared and posted. The Draft EIR was made available for public review on the City’s website, on the State Clearinghouse website, and via paper copies at the Planning Counter in City Hall and at the public documents section in the Fullerton Public Library.

Five public agencies (Department of Toxic Substances Control (DTSC), California Department of Transportation (Caltrans), Orange County Transportation Authority (OCTA), Orange County Sanitation District (OCSD), and City of Placentia) and three interested parties commented on the project. None of the comments received resulted in the need to recirculate the Draft EIR. The letters and responses are included in the Final EIR (Attachment 1, Exhibit A). Many commenters raised questions on traffic, infrastructure impacts, and project density. The Response to Comments document provides a summary discussion for each of these topics for ease of review on these common areas of concern (beginning on page 2-1 of the Final EIR).

Due to the fact that the four aforementioned CEQA areas (Air Quality, Noise, Population and Housing, Tribal and Cultural Resources) were deemed to have impacts that were “Significant and Unavoidable”, a Statement of Overriding Considerations was prepared (Attachment 1, Exhibit B). These are described as follows:

*“Pursuant to Public Resources Code Section 21081(b) and State CEQA Guidelines Section 15093(a) and (b), the City is required to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project.”*

*“After examining the proposed Housing Incentive Overlay Zone Program in light of its alternatives, the City has determined that adoption and implementation of one of the alternatives (Alternative 2, Reduced Sites Alternative) is the most desirable, feasible, and appropriate action.”*

*“The City finds and determines that: (1) all significant environmental effects of Alternative 2 have been substantially lessened where feasible; (2) Alternative 2 will result in certain significant adverse environmental effects that cannot be avoided or reduced to a less-than-significant level even with incorporation of all feasible mitigation measures; and (3) there are no other feasible mitigation measures or feasible project alternatives that will further mitigate, avoid, or reduce the remaining significant environmental effects to a less-than-significant level.”*

Lastly, a Mitigation Monitoring and Reporting Program (MMRP) was created for use with any project that utilizes the HIOZ Program (i.e., zoning and development standards). The MMRP provides mitigation measures that shall be used during the various phases of project development. For instance, requirements will be placed on reducing air pollution impacts during construction by requiring dust reduction measures be utilized during construction. In summary, the MMRP stays with the property for the life of the project or until a major change occurs on the property which triggers a CEQA reevaluation.

<b>RECOMMENDED ACTION</b>
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Adopt the following Planning Commission Resolutions:

Resolution No. PC-2024-28, entitled:

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF FULLERTON, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL CERTIFY THE ENVIRONMENTAL IMPACT REPORT (SCH# 2023090133) AND ADOPT A STATEMENT OF OVERRIDING CONSIDERATIONS FOR ALTERNATIVE 2 (REDUCED SITES ALTERNATIVE) AND MAKE CEQA FINDINGS FOR THE HOUSING INCENTIVE OVERLAY ZONE PROGRAM AND ADOPT A MITIGATION MONITORING AND REPORTING PROGRAM**

Resolution No. PC-2024-29, entitled:

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF FULLERTON, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL AMEND THE FULLERTON PLAN BY ADOPTING THE 6<sup>TH</sup> CYCLE HOUSING ELEMENT TO REPLACE CURRENT APPENDIX H (HOUSING ELEMENT) AND CHAPTER 2 “HOUSING” AS PER EXHIBITS A AND B**

Resolution No. PC-2024-30, entitled:

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF FULLERTON, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL APPROVE AN ORDINANCE TO AMEND THE FULLERTON MUNICIPAL CODE TO ESTABLISH THE HOUSING INCENTIVE OVERLAY ZONE PROGRAM AND RELATED DEVELOPMENT STANDARDS AND AMEND THE OFFICIAL FULLERTON ZONING MAP BY APPLYING THE “-HI” ZONING OVERLAY DESIGNATION TO CERTAIN COMMERCIAL AND INDUSTRIAL ZONED PROPERTIES AS PER EXHIBITS A THROUGH C**

**DATED:** September 25, 2024

Prepared by:



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Chris Schaefer, AICP  
Planning Manager

Reviewed and Approved for Agenda by:



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Sunayana Thomas  
Director of Community and Economic Development

Attachments to Report

1. Draft Planning Commission Resolution No. PC-2024-28 (EIR)
2. Draft Planning Commission Resolution No. PC-2024-29 (GP Amendment)
3. Draft Planning Commission Resolution No. PC-2024-30 (FMC Amendment)
4. Draft Notice of Exemption with Attachment
5. Housing Element Timeline Summary
6. Housing Incentive Overlay Zone Parcel Map per Alternative 2
7. Overview of Other Overlay Zones
8. PowerPoint Presentation